Supreme Court, U. S.
FILED
AUG 9 1976
MICHAEL RODAK, JR., CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1976

No. 76-13

JEFFREY SNYDER, d/b/a J.S.N.Y.
and ETNA PRODUCTS CO., INC.,

Petitioners,

—v.—

L. BATLIN & SON, INC.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

BRIEF FOR RESPONDENT IN OPPOSITION

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Opinions Below

The opinion of the District Court for the Southern District of New York [Appendix C to Petition] is reported at 394 F. Supp. 1389. The first opinion of the Court of Appeals for the Second Circuit [Appendix B to Petition] is reported only at 187 USPQ 721. The *en banc* opinion of the Court of Appeals for the Second Circuit [Appendix A to Petition] is reported only at 189 USPQ 753.

Jurisdiction

The jurisdictional requisites are adequately set forth in the Petition.

Question Presented

This case originates from a decision in the district court granting respondent a preliminary injunction against the enforcement of petitioners' copyright. The court held that there was "little probability" that petitioners' copyright "will be found valid in a trial on the merits." The court below agreed with the district court and affirmed the judgment granting the preliminary injunction. Therefore, the only question presented is:

Was it an abuse of discretion for the district court, based on the record before it, to grant a preliminary injunction against the petitioners' enforcement of their copyright which enforcement was preventing respondent's goods from entering the country?

Statement of the Case

Petitioners' Statement of the Case has omitted several important facts relevant to the Court's consideration of the Petition.

The Procedural Posture of This Case

Respondent, L. Batlin & Son, Inc., brought this action against the petitioners, Jeffrey Snyder and Etna Products Co., Inc., for a declaratory judgment declaring Snyder's

copyright* invalid on three grounds, namely, (1) the work purported to be covered by said registration was not originally created, designed or conceived by petitioner, it having been in the public domain for almost one hundred years; (2) petitioner was not the author thereof; and (3) petitioner failed to comply with the notice provisions of the Copyright Act. In addition, respondent sought damages for unfair competition of petitioners in attempting to stop respondent from selling its version of the public domain Uncle Sam Mechanical Bank by threatening respondent with suit and by blocking respondent's importation of said bank by recording their copyright with the Customs Service, and for restraint of trade under the Antitrust Laws by the commission of several unlawful acts.

Respondent was suffering irreparable damage because its goods were being blocked from entry by petitioners' recordation of its copyright with the United States Customs Service. Respondent obtained an Order to Show Cause for a Temporary Restraining Order and a Preliminary Injunction. The Temporary Restraining Order was granted by the United States District Court for the Southern District of New York. It restrained petitioners from enforcing their copyright and compelled cancellation of the recordation thereof with the United States Customs Service. The Preliminary Injunction was granted after a full evidentiary hearing, which was requested by petitioners, before the District Court, which injunction continued in effect the restraints of the Temporary Restraining Order. Petitioners appealed from the grant of the Prelminary Injunction and the United States Court of Appeals for the Second Circuit reversed in an opinion dated October 24, 1975 [Appendix B

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* Copyright No. Gp 95881, "Uncle Sam Bank."

to Petition]. Respondent petitioned the Court of Appeals for a rehearing, requesting such rehearing *en banc,* and said petition was granted in both respects. Upon rehearing *en banc* the Court of Appeals affirmed the District Court, thus vacating its prior decision [Appendix A to Petition].

The Facts of This Case

The respondent, L. Batlin & Son, Inc., has been in business since 1929 and is engaged in the design, importing, and sale of such goods as toys, novelty items, housewares, porcelain, china and glass, which goods are advertised and sold throughout the United States. It has been selling various types of novelty savings banks for at least 20 years.

At the time respondent purchased the plastic reproduction of the Uncle Sam mechanical bank, it had for some time been selling cast iron mechanical banks made in Taiwan, which were replicas of antique American banks, including the Uncle Sam mechanical bank. Shortly after respondent received its first shipment of plastic banks, it was notified by the United States Customs Service that petitioner Jeffrey Snyder had recorded a copyright that allegedly covered the Uncle Sam Bank. Since the Customs Service advised respondent that it would not allow either the plastic *or the cast iron banks* entry, and since respondent had orders to fill and more banks on the water, it brought this action for declaratory judgment and the motion for a temporary restraining order and preliminary injunction.

After Judge Metzner granted respondent's request for a temporary restraining order, the Distrct Court, at the request of the petitioners, held a full evidentiary hearing

before deciding on whether or not to grant a preliminary injunction. For the purposes of the hearing, the only issue considered by the court below was the *probability of respondent's success* in proving petitioners' copyright invalid at a trial on the merits on the ground that petitioners' bank was an unoriginal substantial copy of a work long since in the public domain. The respondent had already posted a bond upon the grant of the Temporary Restraining Order and there was no dispute as to the sufficiency thereof, or the fact that respondent was suffering irreparable injury. The other issues of invalidity due to improper copyright notice and authorship were never reached, the court below stating that, with respect to the ground of lack of originality, there was:

> • • • little probability that defendants' [petitioners'] copyright will be found valid in a trial on the merits. [Appendix C to Petition, p. 45a]

At the evidentiary hearing below, respondent's expert witness stated that there was no degree of originality existing in petitioners' bank over the one which had long been in the public domain, and that whatever differences there were had been made to facilitate the production of petitioners' bank. Petitioners' bank was no more than a direct copy with proportionate changes in size. None of the trivial differences were unique, artistic, or required any degree of originality [Appendix in the Court of Appeals, pp. 53-58, 86].

The only facts presented which related to the making of petitioners' bank are contained in petitioner Snyder's affidavit [Appendix in the Court of Appeals, pp. 36-57]. Although petitioners asked for the evidentiary hearing and

Jeffrey Snyder was present, he never took the witness stand. Indeed, all we are told by Snyder's affidavit is that the manufacturer's representative made some sketches *with the public domain cast iron bank in front of him,* after which the manufacturer "Unitoy had made a clay model * * * *presumably* using the sketches as a guide for this clay model." After some discussion, "Unitoy promised to make a prototype in plastic."

Petitioners refer to Appendix G to Petition, which is a list they compiled of "distinctive features" of their bank. These so-called "distinctive features" were described by the Court of Appeals in its opinion [Appendix A to Petition]:

> Our examination of the banks results in the same conclusions as that of Judge Metzner in Etna Products, the earlier case enjoining Snyder's copyright, that the Snyder bank is "extremely similar to the cast iron bank, save in size and material" with the only other differences, such as the shape of the satchel and the leaves in the eagle's talons being "by all appearances, minor." Similarities include, more importantly, the appearance and number of stripes on the trousers, buttons on the coat, and stars on the vest and hat, the attire and pose of Uncle Sam, the decor on his base and bag, the overall color scheme, the method of carpetbag opening, to name but a few. [pp. 5a to 6a]

Summary of the Argument

Respondent believes that the decision of the court below does not present an issue for review by this Court for the following reasons:

1. The present case involves only the propriety of the granting of a preliminary injunction, based on the record before the district court.

2. The decision below is clearly correct and applied the prevailing law to determine that there is little probability that petitioners' copyright will be found valid in the trial on the merits.

REASONS FOR DENYING THE WRIT

I. The Present Case Involves Only the Propriety of the Granting of a Preliminary Injunction, Based on the Record Before the District Court.

Putting the matter in perspective, it is apparent that the effect of the granting of the preliminary injunction does not decide the issue of copyrightability on the merits, but only involves a question of the proper exercise of judicial discretion. True, the prior decisions by the Court of Appeals discuss the existence of originality as a test for copyrightability. However, in view of the fact that that test is the one which has been used by this Court and the majority of lower courts for at least thirty years, and that

> the sole question on this appeal is whether Judge Metzner abused his discretion in granting Batlin a preliminary injunction [Appendix A to Petition, p. 5a],

the validity of petitioners' copyright registration is not an issue for review by this Court. That issue remains for trial before the District Court.

The issue in the present case is uniquely narrow, and no amount of strained semantics can convert it into one warranting review by this Court on certiorari. The case does not in any sense broadly concern any tests of copyrightability, but rather whether the District Court abused its discretion when it granted respondent a preliminary injunction based on its finding that, upon a trial on the merits, it was *likely* that petitioners' copyright would be held invalid.

Petitioners attempt to show the decisions below received wide notoriety. Actually, the BNA *Journal,* reproduced at Appendix I to Petition, pp. 58a-73a, treated them as it did all other patent, trademark, and copyright matters, including some remarks made by the Commissioner of Patents on pending legislation [pp. 58a]; the New York *Law Journal* felt that the significance of the case was such that it *never* printed the *en banc* decision to inform its readers that the prior decision was vacated, and West Publishing Company has *not* included *either* Court of Appeals' decision in its *Federal Reporter.*

II. The Decision Below Is Clearly Correct and Applied the Prevailing Law to Determine That There Is Little Probability That Petitioners' Copyright Will Be Found Valid in the Trial on the Merits.

Petitioners attempt to demonstrate that the court below erred in finding that there was little probability that petitioners' copyright will be found valid after a trial on the

merits by taking a phrase used by the court, "a higher degree of skill," out of context and promoting that as the sole test upon which the court relied. Nothing could be further from the fact. The court below meticulously examined the authorities and the case law and, under the weight of the same, came to the correct conclusion:

> To be sure, the test of "originality" may leave a lot to be desired, although it is the only one we have, in that as one scholar has said, the originality requirement does not perform the function of excluding commonplace matters in the public domain from copyright status very effectively • • • In any event, however, the articles should be judged on their own merits • • • and on these merits appellants' claim must fail. Here as elsewhere in the copyright law there are lines that must be drawn even though reasonable men may differ where. [Appendix A to Petition, p. 12a]

It is clear that the District Court heeded this Court's oft quoted admonition in *Bleistein* v. *Donaldson Lithographing Co.,* 188 U.S. 239 (1903) concerning the danger if the courts judged the worth of copyrighted works. The District Court did not constitute itself "final judges of the worth" of petitioners' bank. It had before it a designer and modeler as an expert, whom the court questioned very closely [Appendix in Court of Appeals, pp. 55-58].

Although admittedly the sole question on appeal was the proper exercise of judicial discretion, the court below was forced, in its *en banc* decision, to deal with the issue of originality as it effects copyrightability because of the errors in the prior decision of that court. However, simply based on the issue before the district court, and on the evi-

dence before it, the court below correctly restated the prevailing law with respect to the requirment of originality for copyrightability.

Contrary to petitioners' statement, the court below did carefully examine *Mazer* v. *Stein,* 347 U.S. 201 (1954) [Appendix A to Petition, p. 12a] and did specifically distinguish between the requirements of originality for copyrightability and novelty for patentability [Appendix A to Petition, p. 8a]. Moreover, the court went even further, noting in its decision:

> It has been the law of this circuit for at least 30 years that in order to obtain a copyright upon a reproduction of a work of art under 17 U.S.C. §5(h) that the work "contain some substantial, not merely trivial originality • • • " *Chamberlin* v. *Uris Sales Corp., supra,* 150 F. 2d at 513. [Appendix A to Petition, p. 7a]

The District Court, too, was well aware of the current leading decision of the Second Circuit that defined originality, quoting from *Alfred Bell & Co.* v. *Catalda Fine Arts,* 191 F.2d 99 (CA 2, 1951) [Appendix C to Petition, p. 46a]. Moreover, other circuit courts of appeal, too, have adopted the test of *Alfred Bell & Co.* v. *Catalda Fine Arts, supra,* in resolving the question of copyrightability of a work based on a work already in the public domain. After a discussion of the facts in light of that case, as well as *Amsterdam* v. *Triangle Publications, Inc.,* 189 F.2d 104 (CA 3, 1951) and many district court cases, the court in *Donald* v. *Zack Meyer's T. V. Sales and Service et al.,* 426 F.2d 1027 (CA 5, 1970) concluded:

> The Copyright Act was not designed to protect such negligible efforts. We reward creativity and originality with a copyright but we do not accord copyright protection to a mere copycat.

While petitioners' claim that the court below failed to follow the tests for copyrightability as laid down by this Court and the circuit courts of appeal, the sole issue is the propriety of the exercise of judicial discretion. As is apparent from even the briefest review of the decision below, the court strictly followed the prevailing decisions and did not, in any sense, create its own test of originality. What the petitioners really are objecting to is the lower court's refusal to adopt *their* contrived test for copyrightability.

CONCLUSION

For the reasons stated, the petition for a writ of certiorari should be denied.

Respectfully submitted,

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